

EXHIBIT 214

Message

From: Hartman, Mark [/O=CAH/OU=CARDINAL HEALTH/CN=RECIPIENTS/CN=MARK.HARTMAN]
Sent: 1/28/2008 10:32:42 PM
To: Reardon, Steve [/O=CAH/OU=CARDINAL HEALTH/CN=RECIPIENTS/CN=STEVE.REARDON]
Subject: FW: Threshold system and customer issues - Detailed summary so I apologize for the lengthy email
Attachments: 0878_001.pdf

Any info?

From: Lawrence, Steve
Sent: Monday, January 28, 2008 5:27 PM
To: Hartman, Mark
Cc: Jooste, Garth
Subject: FW: Threshold system and customer issues - Detailed summary so I apologize for the lengthy email

Do you know when the invoice language is going into effect or is it already there? Garth sent the message below.

Steve

From: Jooste, Garth
Sent: Monday, January 28, 2008 3:53 PM
To: Lawrence, Steve
Subject: RE: Threshold system and customer issues - Detailed summary so I apologize for the lengthy email

Steve,

Thank you for the update.

Do we have an ETA on the following:

If a customer hits a threshold for a family of products the following happens:
The order that causes the customer to hit the threshold is cut from the customer's order and a message is placed on the invoice alerting the customer of this.

Per attached, the invoice is referencing 2- Whse out should we expect different language

Thanks again for you and your team's efforts

Garth

From: Lawrence, Steve
Sent: Saturday, January 26, 2008 1:28 PM
To: G-NSA-Retail Directors; G-NSA-Retail GMMs; G-NSA-Retail MDMs; G-NSA-Retail PBCs; G-NSA-Retail POCs; G-NSA-Retail RMCs; G-NSA-Retail Sales Managers; Ambrose, Michael; Hayden, Bill; Jacobson, Allen; Squires, Alvey
Cc: Cameron, Todd; Hartman, Mark; Mone, Michael; DeGemmis, Thomas
Subject: FW: Threshold system and customer issues - Detailed summary so I apologize for the lengthy email

To all,

I want to start by letting everyone in the field know that I and many others in Dublin understand the bad position we have put our customers in since early December when the DEA pulled our licenses from the three facilities across the country. It has been a long and tough journey for the past month and a half and I really appreciate all the support each of you has provided in communicating with our customers, me, my team and our QRA group. The tough position we have our retail independent customers in will not continue! We took some drastic actions to make sure we get all of our distribution centers back up and running like normal and we are working hard to get back to business as usual, and we will get there soon.

We currently are working very hard to staff up our QRA group. Please understand that they are working day, night and weekends but they have been understaffed and Mark Hartman is working hard to get that situation rectified and we are making some very good progress there. The second issue is that we have had to put several different threshold systems in place and I want to take some time and explain to everyone exactly how things are going to work so that I can hopefully reduce some of the confusion in the field. Our communication team has and will continue to put out detailed information on this so please pay attention to each and every communication they send. Given that, here is how our threshold system works:

Threshold setting

Each customer's last twelve month purchases from Cardinal Health are analyzed and they are put into one of three categories (small, medium and large). The threshold for each category is set to two standard deviations from the mean of that category. New customers will be placed into whatever category they fit if QRA is provided with the customer's previous 12 month volumes. If no information is provided they will be put into the small category. We are not going to tell customers exactly what number of units any threshold for any family for any category is.

Please remember that the category setting and threshold monitoring is all done per DEA number. This means that the different account numbers do not matter. All purchases from a DEA number are accumulated no matter how many Cardinal account numbers they are ordered from.

The thresholds are currently set for 4 families of controlled substances (Hydrocodone, Oxycodone, Alprazolam and Phentermine) and that will be expanded to all controlled substances (101 families) in February. This eliminates the concern about product movement from strength to strength or manufacturer to manufacturer. All purchases are accumulated per product family.

Customers hitting Thresholds

Each customer's monthly purchases for each family of controlled substances are accumulated. If the customer's monthly purchases do not hit the threshold for a family of products then nothing happens and the accumulator is reset to zero with the beginning of the next month.

If a customer hits a threshold for a family of products the following happens:

1. The order that causes the customer to hit the threshold is cut from the customer's order and a message is placed on the invoice alerting the customer of this.

2. The QRA group is notified and looks at the situation with the customer. At this point QRA could possibly place the customer in the next higher category, thus raising the threshold but will typically request information from the customer.

3. If information is needed then our Sales Operation team, headed by Todd Cameron, will be notified and a questionnaire will be faxed to the customer immediately. We are working to be able to also call the customer and the sales rep prior to faxing them the questionnaire so everyone is prepared for the fax. We will also email a copy of the fax to the sales team responsible for that account. The account has 5 business days to return the fax but the quicker they return it the quicker QRA can make appropriate changes to the customer's category/threshold. The questionnaires alert the customer which family of products they reached the threshold on so a customer can and will receive multiple questionnaires per month and they need to provide the appropriate information for the drug family listed on the questionnaire.

(As of today there is not a well defined process for getting the status of each account to the appropriate people. We are working on this over this weekend and we hopefully will be able to provide better details of account status next week. Also, please remember that an account who is "blocked" from ordering a family of products becomes "unblocked" at the beginning of the next month.)

4. Once QRA receives the questionnaire back they are working to make a determination on the customer within 12-24 hours. This obviously will vary with volumes of questionnaires coming into QRA. If QRA decides to raise the customer's threshold they move the customer into the next higher category, thus raising the threshold for that customer for that month and all subsequent months.

5. If QRA does not feel the information provided is enough to warrant moving the customer into the next higher category they will request a site visit. We are working through the details of how to properly communicate this to the customer and the field so there will be more to come here.

I hope this helps explain the situation. Please continue to communicate with myself, my team and QRA when you have serious customer issues that need immediate attention. I am going to ask each of you to make sure you are communicating with each customer and explaining how our system works and walking them through getting the questionnaire back to us. This will remove many, many calls into my team and QRA and we will be able to process the customers hitting thresholds much more quickly. I need to know what other information each of you might need to work through this process. I still want to have customers who are cut off from ordering any controlled substances to deal directly with myself and my team. We will walk then through the process and work with QRA to get to a final resolution as quickly as possible.

Thanks again for helping keep our customers during this most trying time. As I said before, this will not continue, the longer the threshold system is in place the better all of us will learn to manage the process and the system will constantly be adjusting to allow our customers to continue their normal course of business without any issues. Please make sure and alert us if your customer s business is changing in such a way that they will be ordering more controlled substances. That will allow our QRA group to adjust the customer s category prior to them hitting thresholds.

Thanks and lets' all keep our heads up and continue to service our customers and grow our business,

Steve

CONFIDENTIAL

Fax: 12538339402 Attn: JILL

From:

Date: 01/28/08 03:13PM Page 1 of 2



(800) 678-7889

CARDINAL HEALTH
3238 DWIGHT RD.
ELK GROVE, CA 95758

PAGE 1 OF 2 ROUTE/STOP 030 / 029

DV

DEA RW-0236009 FED ID -

LOWRYS PRESCRIPTIONS
10330 MERIDIAN AVE N
SEATTLE, WA 98133

LOWRYS PRESCRIPTIONS
10330 MERIDIAN AVE N
SEATTLE, WA 98133

FORM 222: 076859254

CUST NO.	DATE	REPRINT INVOICE	
13921	1/29/08	2001957	
REG. NO.	CUST DEA NO.	ORDER NO.	CUSTOMER P.O. NUMBER
CF00057263	BL7826487	1096753	0124NARC
DEPT.	ORDER DATE	CONF. NO.	
	1/24/08	01382	

ITEM NUMBER	NDC/UPC	QTY ORDERED	QTY SHIPPED	UNIT	DESCRIPTION	SIZE	RETAIL PRICE	UNIT PRICE	EXTENSION
1239995	00054-4392-25	3	3	EA	HYDROMORPHONE 2MG 100	C2 100TB	2	8.44	2532CT
	TOTE# 1								
3606076	63857-0322-11	1	1	EA	KADIAN 20MG 100 SR	C2 100CP	2	269.07	26907
	TOTE# 1								
3594454	58177-0310-04	7	7	EA	MORPHINE 15MG 100 ER	C2 100TB	2	19.14	13398CT
	TOTE# 1								
2823987	60951-0653-70	8	8	EA	MORPHINE 30MG 100 ER	C2 100TB	2	26.41	21128CT
	TOTE# 1								
3701174	00093-0032-01	0		EA	OXYCODONE HCL ER 40MG 100	C2 100TB	2	342.50	CT
	TOTE#999								
2614964	00406-0552-01	12	10	EA	OXYCODONE HCL 5MG 100	C2 100TB	2	7.59	7590CT
	TOTE# 1								
					2 - WHSE. OUT				
3397254	00078-0370-05	1	1	EA	RITALIN LA 20MG 100	C2 100CP	2	293.16+	29316
	TOTE# 1								
			30		PIECES SHIPPED			SUBTOT	100871
			30		TOTAL PIECES SHIPPED				
					----- S U M M A R Y -----				
					Total RX			1008.71	
					Total REF			3157.97	
					NET AMOUNT			1008.71	
CONTROL DRUG INVOICE SHIPPED ON					1/28/2008 CUSTOMER DEA# BL7826487				
REMIT TO: CARDINAL HEALTH SACTO*									
P.O. BOX 60000									
SAN FRANCISCO, CA 94160-0001									
ATTN: FILE 74031									
<div><div><div><div>New Code</div><div>T Transfer</div><div>G General Sub</div><div>PP Partially Discounted</div></div><div><div>OT Contract</div><div>SH Special Net</div><div>SP Special Pricing</div></div></div><div><div>Old Code</div><div>48fig 800</div><div>10fig 500</div><div>2fig 500</div></div><div><div>48fig 800</div><div>51fig 500</div><div>5fig 500</div></div><div><div>7fig 500</div><div>8fig 500</div><div>9fig 500</div></div></div> <div><div>This invoice reflects any discounted prices, credits, or rebates or if price reductions are subsequently earned and paid with respect to the merchandise/services described herein. Non-federal law may require disclosure of the price reduction on your claim or cost reports for Medicare or Medicaid reimbursement under 42 U.S.C. 1260(a)-7a.</div></div>									

Customer is a retail dispenser that does not and will not redistribute prescription pharmaceuticals into the secondary market.